

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF OHIO  
EASTERN DIVISION

UNITED STATES OF AMERICA,	)	CASE NO. 1:14-CR-432
	)	
Plaintiff,	)	JUDGE DONALD C. NUGENT
	)	
v.	)	
	)	
KENNETH A. GRANT,	)	
	)	
Defendant.	)	

**PRELIMINARY ORDER OF FORFEITURE**

It appears to the Court that proper proceedings for the issuance of a Preliminary Order of Forfeiture have been had in this case as follows:

1. On December 5, 2014, a two-count information (Dkt. No. 1) was filed against defendant Kenneth A. Grant in the above-captioned case, charging him as follows:

Count 1: Conspiracy to Commit Wire Fraud and Securities Fraud, in violation of 18 U.S.C. § 1349.

Count 2: Money Laundering, in violation of 18 U.S.C. § 1957.

2. An arraignment and plea hearing was held on December 30, 2014. A plea agreement (Dkt. No. 7) was executed between the parties, and defendant Grant entered a plea of guilty to the

charges set forth in Counts 1-2 of the information.<sup>1</sup> With respect to forfeiture, the parties agreed as follows at pages 3-4 of the plea agreement:

a.) Pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), defendant Grant agreed to the forfeiture of the following properties to the United States:

- 2014 Mercedes Benz, ML350 Sport Utility Vehicle, Ohio plate: GRNDMA2, VIN: 4JGDA5HB4EA284845 (approximate value: \$49,250.00).

- 1999 Crownline 266 BR, 27' Fiberglass Stern Drive power boat, Hull ID #: JTC31999G899, Registration Number: NY4305LB, Owner: Kenneth A. Grant (approximate value: \$15,450.00).

- 2012 Intrigue Series, Premier Marine RF 250 PTX 36", 25' Aluminum Pontoon Boat, Hull ID #: PMY76773E212, Registration Number: NH2466XH (approximate value: \$32,980.00).

- Check in the amount of \$2,754.00 issued by JPMorgan Chase Bank on or about April 15, 2014. The check is made payable to KGTA Petroleum, LLC.

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<sup>1</sup> Among other things, with respect to Count 1 of the information, defendant Grant agreed as follows in the Factual Basis and Relevant Conduct (Attachment A) section of the plea agreement: "As a result of the conspiracy, GRANT ... and others defrauded approximately 70 [KGTA Petroleum, LLC.] investors of approximately \$17,000,000 in total." (Dkt. No. 7: Plea Agreement, at p. 21, para. FF.)

b.) Defendant Grant further agreed that these properties are subject to forfeiture under 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c) as they constitute, or are derived from, proceeds traceable to the commission of the offense (Conspiracy to Commit Wire Fraud and Securities Fraud) charged in Count 1 of the information.

c.) Defendant Grant stated that he is the owner of the properties, and that he will take whatever steps are necessary to effectuate the forfeiture of the properties to the United States including, but not limited to, the execution of whatever agreements, stipulations, and/or other documents that are necessary to effectuate the forfeiture.

d.) Pursuant to Rule 32.2(b)(4)(A) of the Federal Rules of Criminal Procedure, defendant Grant consented that this forfeiture will become final as to him upon the Court's entry of this Preliminary Order of Forfeiture.

3. By an Agreement attached hereto as Exhibit 1, the United States Attorney's Office, Northern District of Ohio (USAO), and Susan Grant-Kalal (aka Susan Kalal) and Robert Kalal agreed as follows with respect to the 2014 Mercedes Benz, ML350 Sport Utility Vehicle, Ohio plate: GRNDMA2, titled to Susan Kalal, VIN: 4JGDA5HB4EA284845:

- Susan Grant-Kalal and Robert Kalal gave up all right, title, and interest in the vehicle, and consented to its

forfeiture.

- Susan Grant-Kalal and Robert Kalal agreed that they will not contest any forfeiture proceeding instituted against the vehicle.

4. By an Agreement attached hereto as Exhibit 2, the USAO and Susan Kalal and Robert Kalal agreed as follows with respect to: (i) the 1999 Crownline 266 BR, 27' Fiberglass Stern Drive power boat, Hull ID #: JTC31999G899, Registration Number: NY4305LB; and, (ii) the 2012 Intrigue Series, Premier Marine RF 250 PTX 36", 25' Aluminum Pontoon Boat, Hull ID #: PMY76773E212, Registration Number: NH2466XH, registered to Susan Kalal:

- Susan Kalal and Robert Kalal gave up all right, title, and interest in the boats, and consented to their forfeiture.

- Susan Kalal and Robert Kalal agreed that they will not contest any forfeiture proceeding instituted against the boats.

5. By an Agreement attached hereto as Exhibit 3, the USAO and Susan Grant-Kalal and KGTA Petroleum, LLC, agreed as follows with respect to the \$2,754.00 check issued by JPMorgan Chase Bank on or about April 15, 2014; the check is made payable to KGTA Petroleum, LLC:

- Susan Grant-Kalal and KGTA Petroleum, LLC, gave up all right, title, and interest in the check, and agreed to its forfeiture under 18 U.S.C. § 981(a)(1)(C).

- Susan Grant-Kalal and KGTA Petroleum, LLC, waived notice of any forfeiture proceeding instituted by the USAO against the check.

6. Based upon the foregoing, and pursuant to Rule 32.2(b) of the Federal Rules of Criminal Procedure, the United States is entitled to the entry of a preliminary order of forfeiture.

**Accordingly, it is ORDERED, ADJUDGED, and DECREED:**

7. The United States is authorized to seize and take control of the following properties, and they hereby are forfeited to the United States under 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c) for disposition in accordance with law, subject to the provisions of 21 U.S.C. § 853(n) [as incorporated by 28 U.S.C. § 2461(c)]:

- 2014 Mercedes Benz, ML350 Sport Utility Vehicle, Ohio plate: GRNDMA2, VIN: 4JGDA5HB4EA284845 (approximate value: \$49,250.00).

- 1999 Crownline 266 BR, 27' Fiberglass Stern Drive power boat, Hull ID #: JTC31999G899, Registration Number: NY4305LB, Owner: Kenneth A. Grant (approximate value: \$15,450.00).

- 2012 Intrigue Series, Premier Marine RF 250 PTX 36", 25' Aluminum Pontoon Boat, Hull ID #: PMY76773E212, Registration Number: NH2466XH (approximate value: \$32,980.00).

- Check in the amount of \$2,754.00 issued by JPMorgan Chase Bank on or about April 15, 2014. The check is made payable to KGTA Petroleum, LLC.

8. Pursuant to 21 U.S.C. § 853(n)(1) and Rule 32.2(b)(6) of the Federal Rules of Criminal Procedure, the United States shall publish notice of this order on an official government internet site for at least 30 consecutive days.

9. Upon completion of publication, this Court will enter a final order in accordance with 21 U.S.C. § 853(n).

10. The USAO has acknowledged its intent to seek authorization - through the restoration/petition for remission process - to disburse the forfeited properties, and any amount obtained from the sale of the forfeited properties, to the victim(s) of defendant Grant's criminal activity. (See, Dkt. No. 7: Plea Agreement, at p. 4, para. 7.)

**SO ORDERED** this \_\_\_\_ day of January, 2015.

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Donald C. Nugent  
United States District Judge  
Northern District of Ohio